

Public Education: Minimum School Program - Local Funding Replacement

Funding Matrix - Comparison of 2003 General Session Estimates, Implementation and Potential Revisions
June 18, 2003 - Education Interim Committee

	1	2	3
	2003 General Session Estimate	2003 General Session Implementation	Revised Estimate
1 Total Maintenance and Operation Fund - Property Tax Revenue	\$393,961,310	\$393,961,310	\$393,961,310
2 Less Basic Tax Levy Revenue - Estimated	(196,908,771)		
3 Less Basic Tax Levy Revenue - Actual		(206,375,916)	(206,375,916)
4 Subtotal	\$197,052,539	\$187,585,394	\$187,585,394
5 Total Capital Projects Fund - Property Tax Revenue	220,627,003		
6 Capital Projects Fund - Revised		203,505,913	203,505,913
7 Total Debt Service Fund - Interest Paid	65,553,755	65,553,755	
8 Total Debt Service Fund - Property Tax Revenue			171,814,680
9 Total	\$483,233,297	\$456,645,062	\$562,905,987
10			
11 Total 2002 ADM	473,270	473,270	473,270
12 Local Revenue Per ADM	1,022	965	1,189
13			
14 Total Funding Provided - 2003 General Session	2,377,172	2,377,172	2,377,172
15 Total Funding Provided Per Charter School Student	1,022	700	700
16		(\$711 USOE Est.)	(\$711 USOE Est.)
17 2002 - 2003 Charter School Enrollment	1,526	1,526	1,526
18 Funded Growth - Original Estimate of 1,400	800		
19 Approved Growth - Growth in Established and Newly Chartered		1,871	1,871
20 Total	2,326	3,397	3,397
21			
22 Total Funding Required for Charter School Enrollment	2,377,293	3,277,671	4,040,382
23 Less 2003 Appropriation	2,377,172	2,377,172	2,377,172
24 Total Additional Funding Required	121	900,499	1,663,210

Notes:

1 - Revenues from Local Sources: Property Taxes, Transportation, Tort Liability, Judgment Recovery, Fee-In-Lieu of Taxes, Other Taxes, Penalties on Taxes, and less 1999 Tax Refunds. Sources as reported in the FY 2002 Annual Financial Report.

2 - Estimated revenue from the Basic Tax Levy. This amount is subtracted because students receive an equalized portion through the Minimum School Program. Estimated was the most current the LFA had during the 2003 General Session. Actual figures require adjustments in the amount per student.

3 - Actual Basic Tax Levy Revenue, the figure used by USOE to estimate the MSP-Local Funding Replacement Allocations.

4 - Subtotal of the Maintenance and Operations Fund Revenue.

5 - Total Capital Projects Fund Revenue - all sources of funding were included in the original estimate.

6 - Original estimates included some revenue categories that were not property tax based. Those revenue sources include, Investment Interest and revenue categorized as "other." When implementing USOE removed these revenue categories from the formula, resulting in a reduction of \$17 million. The Analyst recommends removing these categories from the formula.

7 - Expenditures for Debt Service Interest in the Debt Service Fund.

8 - The original estimate used interest for debt service in an effort not to double count bond revenue - as a revenue in capital projects and the revenue for debt service. Further study indicates that bond revenue is categorized as "other" revenue source and was not included at all in the original estimates. By including both local property tax revenue for Capital Projects and Debt Service funding is not double counted. This adds an additional \$106 million to the formula.

9 - Total revenue used for the formula.

11 - ADM 2002 USOE, Finance and Statistics. Students enrolled in charter schools not included.

12 - Local Revenue Per Charter School Student = Line 9 / Line 11.

14 - See Minimum School Program Act - H.B. 3 2003 General Session

15 - Indicates the funding for each charter school student provided by the appropriation for each scenario. Based on anticipated growth funding per student is around \$700 (\$711 USOE Estimate.) Less than the anticipated \$1,022 per student during the General Session.

17 - October 1, 2002 Charter School Fall Enrollment. USOE Finance and Statistics

18 - Funded growth, original estimates placed charter school growth at roughly 1,400 students. Legislators reduced the funding for anticipated new students by 600, leaving funding for 800 new students. There is enough funding for the current enrollment plus 800, however, actual growth is anticipated to be over 1,800. Such growth leaves funding short.

19 - Approved growth - includes board approved growth in existing charter schools as well as anticipated enrollment for new charter schools that have been chartered or seeking charter from the State Board.

20 - Total Charter School Enrollment for each scenario.

22 - The total appropriation needed for each scenario. Equals Line 20 x Line 12.

23 - See Minimum School Program Act - H.B. 3 2003 General Session.

24 - Total funding required to bring appropriation up to per student amount for each scenario.